

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF OHIO  
EASTERN DIVISION

UNITED STATES OF AMERICA,	)	<u>I N D I C T M E N T</u>
	)	
Plaintiff,	)	CASE NO.
	)	
v.	)	JUDGE
	)	
DAVID T. MAZANEC,	)	Title 18, Section 1341, United States
	)	Code
Defendant.	)	

The Grand Jury charges:

Background

1. At all times material to this matter, the defendant, DAVID T. MAZANEC, was an attorney admitted to practice in the State of Ohio.
2. On or about November 18, 1999, Katherine F. and her parents, Glenn and Charlotte F., were seriously injured in an automobile accident. Katherine F. was paralyzed from the waist down as a result of the accident.
3. Subsequently, Katherine F. and her parents filed a civil lawsuit in Cuyahoga County seeking compensation for their injuries.
4. In or about May 2001, a settlement was reached in the aforementioned civil lawsuit.

5. In or about May 2001, Katherine F. and her parents retained the defendant to establish trusts with the proceeds of the settlement. The defendant agreed to represent this family and recommended that he be named trustee of the trusts.

6. On or about May 10, 2001, the defendant formed the Katherine F. Family Trust (hereinafter “Katherine Trust”) and he was named as the Trustee.

7. On or about May 18, 2001, the “Katherine Trust” was funded with approximately \$520,000.00 and the defendant opened account number 2667442300 at Huntington National Bank in the name David T. Mazanec, Trustee, in Trust for “Katherine Trust.”

8. On or about June 11, 2001, the defendant formed the Glenn and Charlotte F. Family Trust (hereinafter “Glenn & Charlotte Trust”) and he was named as the Trustee.

9. From on or about June 19, 2001, through on or about August 10, 2001, the “Glenn & Charlotte Trust” was funded with approximately \$275,316.26 and the defendant opened account number 2667442478 in the name “Glenn and Charlotte Trust,” David T. Mazanec Trustee.

#### The Fraudulent Scheme

10. From on or about June 18, 2001, through on or about April 2, 2004, in the Northern District of Ohio, Eastern Division, the defendant, DAVID T. MAZANEC, devised and intended to devise a scheme and artifice to defraud certain clients for whom he had established trust accounts, and to obtain money and property from those clients by means of false and fraudulent pretenses, representations, and promises; and, in so doing, the defendant’s scheme and artifice affected a financial institution, i.e. Huntington National Bank.

11. On or about the dates indicated, in furtherance of the scheme and artifice, the defendant wrote the following checks drawn on the “Katherine Trust,” without the knowledge or

authorization of his client:

- a. June 18, 2001, Check No. 648 in the amount of \$35,000.00, payable to Prudential Securities, and deposited into an account in the defendant's name.
- b. June 18, 2001, Check No. 650 in the amount of \$22,016.89, deposited into the defendant's business account at Huntington National Bank.
- c. July 25, 2001, Check No. 647 in the amount of \$5,000.00, payable to Prudential Securities, and deposited into an account in the defendant's name.
- d. August 20, 2001, Check No. 646 in the amount of \$32,000.00 which was deposited into an account in the defendant's name at Prudential Securities.
- e. August 27, 2001, Check No. 645 in the amount of \$21,000.00 which was deposited into an account in the defendant's name at Prudential Securities.
- f. September 15, 2001, Check No. 643 in the amount of \$89,000.00, payable to Huntington Bank, and deposited into defendant's account at that bank.
- g. February 14, 2002, Check No. 642 in the amount of \$92,000.00, payable to Huntington Bank, and deposited into defendant's account at that bank.

12. On or about the dates indicated, in furtherance of the scheme and artifice, the defendant wrote the following checks drawn on the "Glenn & Charlotte Trust," without the knowledge or authorization of his clients:

- a. July 31, 2001, Check No. 503 in the amount of \$2,440.00, payable to David T. Mazanec.

- b. September 6, 2001, Check No. 505 in the amount of \$75,000.00, payable to Huntington Bank, and deposited into defendant's account at that bank.
- c. December 19, 2001, Check No. 507 in the amount of \$27,000.00, payable to Huntington Bank, and deposited into defendant's account at that bank.

13. From on or about April 23, 2002, through on or April 2, 2004, in furtherance of the scheme and artifice, the defendant wrote 15 checks totaling approximately \$23,750.00, drawn on the "Katherine Trust" and payable to "cash," without the knowledge or authorization of the client.

14. At all times material herein, the defendant was also Trustee of a Trust for the benefit of Catherine B.

15. Periodically throughout this time period, when a client needed funds for living expenses but the balance in the client's trust account was too low because of the defendant's prior fraudulent activity, the defendant would make an unauthorized withdrawal from another client's account and send it to the requesting client. The defendant would do so in order to deceive his clients and to continue his scheme to misappropriate funds from their trust accounts. The defendant would cause these checks to be delivered through the United States Mail, to wit:

- a. On or about December 15, 2002, David T. Mazanec caused Check No. 595, payable to Catherine B. in the amount of \$10,000.00, and withdrawn from the "Katherine Trust" without authority, to be placed in a post office and authorized depository for mail to be delivered by the United States Postal Service according to the direction thereon to the residence of Catherine B.

- b. On or about December 18, 2002, David T. Mazanec caused Check No. 594, payable to Kale F. in the amount of \$3,000.00, which was for the benefit of Kale's parents, Glenn & Charlotte F., but which had been withdrawn without authority from the "Katherine Trust," to be placed in a post office and authorized depository for mail to be delivered by the United States Postal Service according to the direction thereon to the residence of Kale F.
- c. On or about January 20, 2003, David T. Mazanec caused Check No. 598, payable to Kale F. in the amount of \$3,000.00, which was for the benefit of Kale's parents, Glenn & Charlotte F., but which had been withdrawn without authority from the "Katherine Trust," to be placed in a post office and authorized depository for mail to be delivered by the United States Postal Service according to the direction thereon to the residence of Kale F.

16. As a result of the defendant's fraudulent conduct, Katherine F. sustained a loss of approximately \$329,766.89 and her parents, Glenn and Charlotte F., suffered a loss of approximately \$104,440.00.

All in violation of Title 18, United States Code, Section 1341.

A TRUE BILL.

Original document -- Signatures on file with the Clerk of Courts, pursuant to the E-Government Act of 2002.

United States v. David T. Mazanec

A TRUE BILL.

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FOREPERSON

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GREGORY A. WHITE  
UNITED STATES ATTORNEY